

# Corporate social responsibility

## National public policies in the European Union

Industrial relations & industrial change



Employment & social affairs



European Commission





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Employment & social affairs

Industrial relations and industrial change

European Commission  
Directorate-General for Employment and Social Affairs  
Unit D.1

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## Foreword

Sustainable development and corporate social responsibility (CSR) are high on the public policy agenda at both EU and national levels. CSR is an element of progress and innovation combining the social, environmental and economic dimension in an integrated approach based on dialogue between key stakeholders. It plays a role in developing better social and economic governance and improving living and working conditions as well as enhancing companies' competitiveness. As such, the European Commission sees CSR as a positive contribution to the Lisbon goals of full employment, social cohesion and economic growth.

Whereas CSR is developed within companies, public authorities have a key role in setting a reference framework and conditions which guarantee a level playing field and fair practices for all. As CSR grows from a niche issue to a mainstreamed approach to better business management, there is a need for clear rules of the game, entailing greater transparency and convergence of CSR instruments and more coherent public policies on CSR.

This Compendium illustrates numerous examples of public initiatives on CSR which have been launched in EU member states. Individual member states have their own specific policy priorities, reflecting the different national context and culture. But their objectives are similar: promoting stakeholder dialogue and public-private partnerships; enhancing transparency and credibility of CSR practices and instruments; raising awareness, increasing knowledge, disseminating and awarding best practices; ensuring a more solid and consistent link between sustainable development objectives and public policies.

The idea of the Compendium, which aims to map CSR-supportive public policies across EU member states, derives from the work of the Group of High Level Member States representatives on CSR, which the Commission has convened since late 2000 on a regular basis to exchange information and disseminate good practices on national and EU CSR policy developments and other CSR-related activities.

I trust that readers will find it a useful compilation and source of information which is otherwise scattered and not within everyone's grasp. Public policies on the issue will continue to evolve rapidly, as CSR is proving to be an innovative, flexible and customised means to address some of the challenges identified in Lisbon.

Odile Quintin  
*Director-General*





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## Note to the reader

This compendium is based on information received from the Member State representatives of the high-level group on corporate social responsibility (CSR), the Member States' responses to the Green Paper 'Promoting a European framework for CSR'<sup>(1)</sup> and other sources.

In order to facilitate the reading, the information collected has been summarised and adapted to the format below, which includes three main categories: policies which promote the uptake of CSR; policies that seek to ensure transparency of CSR instruments and practices; and initiatives in other public policies that have a positive impact on CSR.

### **1. Promoting CSR**

- Awareness raising
- Research
- Public-private partnerships
- Business incentives (for example, awards)
- Management tools

### **2. Ensuring transparency**

- Codes
- Reporting
- Labels
- Socially responsible investment (SRI)
- Advertising

### **3. Developing CSR-supportive policies**

- Sustainable development
- Social policies
- Environmental policies
- Public procurement
- Fiscal policies
- Trade and export policies (for example, promoting the OECD guidelines)
- Development policies

For the purpose of this paper, only initiatives and policies strictly linked to CSR have been taken into consideration, leaving aside traditional employment and social dialogue policies that can be found in National Action Plans for Employment.

<sup>(1)</sup> COM(2001) 366 final.

## Belgium

In recent years, Belgian policy-makers have relied on a wide range of measures to promote responsible behaviour of companies, including disclosure regulations, a social label describing production conditions, and a strong commitment to the Organisation for Economic Cooperation and Development (OECD) guidelines and International Labor Organisation (ILO) conventions.

### Promoting CSR

#### Awareness raising

During its tenure of the EU Presidency (July–December 2001), Belgium organised (with the support of the European Commission, Directorate-General for Employment and Social Affairs), a big **European conference on CSR**. [www.socialresponsibility.be](http://www.socialresponsibility.be)

In 2001, the Flemish Minister for Employment and Tourism launched the **Trivisi pioneering enterprise for people, the environment and society** initiative, bringing together representatives of the business world, trade unions, academics, NGOs and the government to stimulate sustainable, pioneering enterprise. Three pioneering groups on management of diversity, lifelong learning, and stakeholder management were set up to explore several aspects of sustainable enterprise, exchange ideas and experience, produce management tools, and promote multi-stakeholder projects. [europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/014-GOVREG\\_TRIVISI\\_Belgium\\_011213\\_en.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/014-GOVREG_TRIVISI_Belgium_011213_en.pdf)

### Ensuring transparency

#### Labels

In January 2002, the Belgian Parliament approved a law aiming at promoting socially accountable production by introducing a voluntary **social label**. This law offers companies the possibility of acquiring a label, which is granted to products whose whole chain of production respects the eight fundamental ILO conventions. The label is given by the Ministry of Economic Affairs after a positive and binding opinion of a stakeholder committee (composed of government officials, social partners, business federation consumers and NGO representatives) for a maximum of three years. The Committee for Socially Responsible Production establishes a programme of control for the company and monitors its progress on compliance. Certification is carried out by inspection bodies accredited by the Minister for Economic Affairs.

Companies applying for the label for one of its products are obliged to give all information on the suppliers and subcontractors directly involved with the realisation of the product, and provide evidence that, just like itself, its suppliers and subcontractors also respect the ILO core conventions. The inspection body will have to make a report (among other things, on the basis of interviews with workers and responsible persons, visits to companies, information from local organisations, etc.) which will be submitted to the stakeholders' committee. Every year, the Ministry of Economic Affairs will present to Parliament a report on the implementation of the label. So far, the label has been granted to two products, from an interim work company and an insurance company. As it is voluntary, the Belgian social label is not incompatible with WTO rules. [www.social-label.be](http://www.social-label.be)

#### Socially responsible investment (SRI)

The new **occupational pension law** (LPC — Loi Pensions Complémentaires) of 15 May 2003 requires pension fund managers to disclose in their annual reports to what extent they take into account ethical, social and/or environmental criteria in their investment policies. These annual reports are public documents.

#### Advertising

A 1991 law on information and protection of consumers and trade practices forbids **misleading advertising** concerning the effects on the environment, and a committee to monitor environmental labels and advertising has been set up. A proposal has been introduced to extend the law forbidding misleading advertising on social conditions of production (for example, concerning the eight ILO core conventions).

## Developing CSR-supportive policies

### Sustainable development

The federal government created the **Federal Council for Sustainable Development**, in charge of giving advice about the federal policy on sustainable development and the implementation of international commitments such as Agenda 21, the Framework Convention on Climate Change and the Convention on Biological Diversity. The FCSD also acts as a forum to encourage the sustainable development debate, for example by organising symposia. [www.belspo.be/frdocfdd/en/frontpag.htm](http://www.belspo.be/frdocfdd/en/frontpag.htm)

### Public procurement

In November 2001, the Belgian government approved the introduction of a **social clause** for certain federal public procurements (contracts of a minimum BEF 10 million with a minimum length of 60 working days) favouring the inclusion of disadvantaged groups (for example, 5% of the total share of the contract should be used to hire long-term unemployed people). Besides the price and quality of products or services, environmental criteria can also be part of the selection criteria.

In the revision of the EU directives on public procurement, Belgium has also supported the position of the European Parliament to consider the respect of the eight fundamental ILO conventions as selection criteria for the award of a public contract.

### Trade and export policies (for example, promoting the OECD guidelines)

The Belgian **national contact point**, which includes government officials, unions and business, has, since its creation, reviewed more than 20 cases, all of them concerning the employment chapter.

A proposal to include **social and environmental concerns in bilateral agreements** (between the Belgian-Luxembourg Economic Union and third countries) concerning the encouragement and protection of investments is still under discussion.

The federal government supports the activities of the **International Labour Organisation** aiming at strengthening and promoting the Tripartite Declaration of Principles concerning multinational enterprises and social policy and all other activities on CSR, for example, by insisting on the monitoring of development of codes of conduct and making sure that the ILO keeps control of the interpretation of international labour standards which are often recalled in these codes of conduct.

### Others (foreign direct liability)

The 1993 law on the **compétence universelle** which allowed the pursuit and punishment in Belgium of individuals — regardless of their nationality and where the crime has been committed — for war crimes, crimes against humanity and genocide was replaced in July 2003 by a law proposal specifying that only Belgian citizens or residents in Belgium accused of infringement of fundamental rights could be brought before Belgian justice.

#### Contacts:

Ministère fédéral de l'emploi et du travail  
Mr François Vandamme, Conseiller général

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/belgium.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/belgium.htm)  
[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013GOVNAT\\_Belgium\\_Belgium\\_020412\\_fr.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013GOVNAT_Belgium_Belgium_020412_fr.pdf)

#### Other sources:

[www.multinationalguidelines.org/csr/snapshots.htm#Belgium](http://www.multinationalguidelines.org/csr/snapshots.htm#Belgium)  
[www.csrcampaign.org/publications/Belgium\\_page361.aspx](http://www.csrcampaign.org/publications/Belgium_page361.aspx)

## Denmark

Traditionally, Danish CSR policies mainly focus on fighting social exclusion and developing a more inclusive labour market (prevention, retention and integration measures) under the responsibility of the Ministry of Social Affairs. However, Denmark also has a strong tradition of environmental policies, such as 'green accounts', for which the Ministry of Environment and Energy is responsible. The Ministry of Economic and Business Affairs is currently developing strategies for a broader approach to CSR.

### Promoting CSR

#### Awareness raising

Denmark put CSR as a priority for its EU Presidency semester (July–December 2002). In November 2002, it organised, with the support of the European Commission, Directorate-General for Employment and Social Affairs, a **European conference on CSR**. [www.copenhagencentre.org/eu2002](http://www.copenhagencentre.org/eu2002)

In 2002, the Ministry of Economic and Business Affairs publicised a **report on ethics in business**, together with the National Business Development Council. The report gives an introduction to the main international tendencies and analyses Danish companies' CSR work as well as challenges and opportunities. [www.ebst.dk/publikationer/rapporter/etikerhvervslivet/index.htm](http://www.ebst.dk/publikationer/rapporter/etikerhvervslivet/index.htm)

In 1994, the Ministry of Social Affairs launched the **campaign 'Our common concern — the social responsibility of the corporate sector'**. The notion behind the campaign is that social welfare is not solely the concern of the public sector, but also the responsibility of business, the citizen, the workplace and the local community.

#### Research

Financed by the government, the **Danish Institute of Social Research** is carrying out a large-scale research programme until 2006 to monitor developments in CSR and the inclusive labour market. The institute issues an annual yearbook on the results of the study, including a summary in English. [www.sfi.dk](http://www.sfi.dk)

The Danish government also supports the **human rights impact assessment (HRIA)** developed by the Danish Centre for Human Rights. The HRIA is based on over 80 international human rights agreements and treaties, and will allow companies to voluntarily evaluate their business practices and identify operations that subsequently directly or indirectly violate human rights. [www.humanrights.dk](http://www.humanrights.dk)

#### Public–private partnerships

- The Act on Legal Protection and Administration in Social Matters, effective since January 1999, has made it mandatory for all Danish local authorities to have a **coordinating committee for preventive labour market measures** with representation from employer federations, trade unions, general practitioners and civil society.
- The national **Employment Council** consists of members from trade unions, employer federations, associations of municipalities and the Disabilities Council. It advises the Ministry of Social Affairs on initiatives for an inclusive labour market.
- The Minister for Social Affairs has established in 1996 a **national network of business executives** gathering 16 business leaders from private and public companies who act as adviser to the Minister and who promote activities for social inclusion (for example, to integrate immigrants, refugees and the long-term unemployed). This network grants annual **prizes** (Netværksprisen) to the most socially responsible companies. [www.netvaerksprisen.dk](http://www.netvaerksprisen.dk)
- **Several regional business networks** have been established since 1997 to initiate partnerships between companies and local public authorities to tackle local social challenges.
- In 1998, the Danish government established **The Copenhagen Centre (TCC)**, an independent institution that focuses on voluntary partnerships between business, government and civil society to foster social cohesion. [www.copenhagencentre.org](http://www.copenhagencentre.org)

- The Ministry has established a pool of '**seed funding**' to inspire companies to take responsibility and which has financially supported more than 200 local projects in companies and municipalities.

### Business incentives (for example, awards)

The Ministry of Refugee Immigration and Integration Affairs awards an annual **prize** for exemplary efforts to **integrate ethnic minorities** into the job market through public-private partnerships (*Integrationsprisen*). [www.inm.dk](http://www.inm.dk)

## Ensuring transparency

### Reporting

- The Ministry of Environment and Energy issued, in December 1995, a statutory order on the duty of certain activities (the most polluting) to draw up **green accounts**, mandating **environmental reporting** on more than 3000 companies. The categories of listed activities (for example, production, processing, surface treatment of iron, steel, metals, wood and plastic; extraction and processing of mineral oil, mineral oil products, natural gas; chemical production; power and heat generation; motor racing tracks and airfields) are required to submit a statement of green accounts to the Danish Commerce and Companies Agency each year. The statement of green accounts shall include information on aspects relating to the occupational environment, as regards polluting substances used in the production processes and the extent of which they present a risk to the health and safety of the company staff. The statement shall be followed by a presentation of data on the major consumption by the company of energy, water and raw material in the accounting period, and of significant types and volumes of pollutants to the extent that they form part of the production processes; are discharged by the company to air, water and soil; form part of the company's products; or form part of wastes from the company.  
[www.mst.dk/rules/Ministerial%20Orders%20in%20force/Products%20and%20technology%20in%20force/02050900.doc](http://www.mst.dk/rules/Ministerial%20Orders%20in%20force/Products%20and%20technology%20in%20force/02050900.doc)
- The **Annual Accounts Act** was changed in 2001, and now companies can present supplementary reports on, for example, the enterprise's social responsibility, knowledge and know-how, environmental issues and follow-up on such matters. Any supplementary report must give a true and fair view in accordance with generally accepted guidelines for such reports, and meet the quality requirements and basic assumptions described in the Annual Accounts Act. Furthermore, according to the Annual Accounts Act, companies belonging to class C (more than 250 employees and revenue higher than DKK 238 million) and class D (concerns), are required to describe in the management's review the enterprise's knowledge and know-how resources if they are of special importance to its future performance, and describe the enterprise's impact on the external environment and measures to prevent, reduce or remedy any damage to the environment.
- In August 2001, the Ministry of Social Affairs released a set of **guidelines for social and ethical reporting** (Socialethiske regnskaber — virksomheder og organisationer), aimed at both private and public organisations who wish to report on the social impact of their activities.  
[www.bm.dk/publikationer/2001/socialethiske\\_regnskaber/socialethiske\\_regnskab.pdf](http://www.bm.dk/publikationer/2001/socialethiske_regnskaber/socialethiske_regnskab.pdf)
- The Ministry of Employment has also participated, together with Danish employers' organisations and trade unions, in the production of a guide on social reporting for small and medium-sized enterprises (Sociale regnskaber — inspiration til mindre og mellemstore virksomheder). This guide provides businesses with information on what a social report is, what the benefits of reporting are, past reporting experiences of other Danish companies and instructions on how to get started with reporting. [www.valuecreator.dk](http://www.valuecreator.dk)

### Labels

The **Social Index** was launched in 2000 by the Danish Ministry of Social Affairs (now under the responsibility of the Ministry of Employment). It is a self-assessing tool for measuring a company's degree of social responsibility (focusing on employment and social-inclusion policies) and consists of a set of questions that have to be answered by the company's employees. The parties involved then have to agree on the company's score (the result is a number between 0 and 100). The Social Index can be used to communicate how socially

responsible a company is to the company's employees and external stakeholders. For that, an impartial assessor (inspector) needs to check if the achieved score is acceptable. Companies which reach a high score on the Social Index (above 60 points), and which are verified by external experts, are entitled to use the Social Label on their products, reports, etc. [www.detsocialeindeks.dk](http://www.detsocialeindeks.dk)

### Others

The Consumer Information Centre within the Ministry of Economic and Business Affairs has an **ethical database, 'the CSR scorecard'** where companies can voluntarily file information about themselves and how they deal with recognised labour standards. [www.csr-scorecard.org](http://www.csr-scorecard.org)

## Developing CSR-supportive policies

### Public procurement

In 2001, the Danish Parliament passed an act which enables public authorities to stipulate certain **social obligations** in relation to enterprises that either provide services for the public authority or are receiving grants from the public authority.

### Trade and export policies (for example, promoting the OECD guidelines)

The Danish **national contact point** (NCP) for the OECD guidelines is a tripartite body with representatives from the Danish government, business and labour, but not NGOs. The NCP is based in the Ministry of Labour.

#### Contacts:

Ministry of Employment  
Mr Jens Hoerby Joergensen, Head of division

Ministry of Economic and Business Affairs  
Ms Janda Campos, Head of section

The Copenhagen Centre  
Mr Niels Hoejensgård, Deputy director

#### Link on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/denmark1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/denmark1.htm)

#### Other sources:

[www.multinationalguidelines.org/csr/boeckler/denmark.htm](http://www.multinationalguidelines.org/csr/boeckler/denmark.htm)

[www.csrcampaign.org/publications/Denmark\\_page362.aspx](http://www.csrcampaign.org/publications/Denmark_page362.aspx)

## Germany

### Promoting CSR

#### Awareness raising

The federal government has financially supported the **UN Global Compact** initiative <sup>(2)</sup> and co-financed the second Global Compact Learning Forum gathering representatives of the UN, business and academics from around the world, and which was held in Berlin in December 2002.

The federal government has launched, together with business and the social partners, a **training campaign 2003** which includes visits to companies by the Minister for Education to raise public awareness on their responsibility towards training. The initiative includes targeted support structures, promotion of regional cooperation and joint training to assist business.

In order to inform the **consumer about fair trade**, the federal government has set up a website presenting companies, organisations and products in this field. [www.oeko-fair.de](http://www.oeko-fair.de) or [www.eco-fair-trade-net.de/](http://www.eco-fair-trade-net.de/)

#### Public-private partnerships

- The federal government's **TeamArbeit** initiative, launched in June 2003, aims to combine forces between companies and individuals from all groups in society in the **fight against unemployment**. Within the initiative, 50 regional days of action are planned throughout Germany as forums for advice, information and contacts. A network of 'senior experts' (for example, company staff members who have retired early) is also to be established with the task of finding training places and internships for young people. [www.teamarbeit-fuer-deutschland.de](http://www.teamarbeit-fuer-deutschland.de)
- Within the '**life-accompanying learning for all**' action programme are 'learning regions — promoting networks' intended to increase the involvement in education of **disadvantaged people**. In these regional networks, education providers, teachers, and companies join forces to develop innovative projects of life-long learning.
- In 2001, the federal government launched the **new quality of work initiative** (INQA) which promotes projects and partnerships between social partners, social security funds, public authorities and companies. In 2002, the federal government promoted projects in the construction industry with a view to preventing **work-related stress** and encouraging **lifelong learning**. A broad public debate on the future of work was also launched. [www.inqa.de](http://www.inqa.de)
- The federal Act to achieve **equality of disabled persons**, which entered into force on 1 May 2002, foresees amongst its measures the so-called 'agreements of intent'. These are **voluntary agreements** between recognised associations and companies or associations of companies on conditions and timing for the removal of all types of barriers in the workplace (for example, of a technical or structural nature, including in communications). A register of agreements of intent has been set up.
- In cooperation with the Bertelsmann Foundation, and with support from business associations and trade unions, the federal government has joined the '**alliance for the family**' for the initial period of 2003–05. Within this initiative, concepts of work organisation and flexible working hours are studied and earmarked with recommendations for implementation. In 2004, a convention of government and business is to take place with the aim of achieving voluntary commitments by the end of 2004. In parallel to this, an office for 'local family alliances' (between municipalities, business, associations, churches, etc.) is being set up in the federal government to disseminate information and promote networking.
- The federal citizenship responsibility network (*Bürgerschaftliches Engagement*) promotes cooperation between the federal government, the Länder and municipal associations, companies and non-profit-making organisations.

#### Business incentives (for example, awards) and management tools

- The federal government supports EMAS (European eco-management and audit scheme) by providing benefits/incentives to companies that apply for the scheme (such as in environmental supervision, reporting requirements, notification duties regarding corporate organisation, and emission measurements)<sup>(3)</sup>.

<sup>(2)</sup> Up to now, 17 German companies have adhered to the Global Compact.

<sup>(3)</sup> There are more than 2600 German EMAS-certified companies.



- Through its **market incentive programme for renewable energy**, the German government provides financial support to SMEs to develop environmentally friendly policies (such as consultancy services on energy saving, training, the introduction of environmental management schemes, and investment in renewable energies).
- So far, more than 50 individual projects in the field of ecological and **fair trade** are being promoted by the federal government. The government will spend EUR 6.5 million on promoting the marketing of fair-trade products in an initiative to double fair trade in the next three years.
- The federal government supports the national initiative '**business in partnership with youth**' (UPJ — Unternehmen, Partner der Jugend), a network of companies on CSR. Specifically, the government is promoting the establishment of a centre of excellence to advise SMEs on the uptake of their social responsibilities. [www.upj-online.de](http://www.upj-online.de)

### Ensuring transparency

#### Codes

The government has set up a **round table on corporate codes of conduct**, gathering representatives of various ministries, social partners, companies and NGOs, with the aim of improving social and labour conditions in developing countries.

#### Socially responsible investment (SRI)

From 1 August 2001, certified private and occupational **pension schemes** are required to report whether they take into account ethical, ecological and social aspects in their investment policies.

### Developing CSR-supportive policies

#### Sustainable development

The German government adopted a **strategy on sustainable development** in April 2002. The strategy encompasses the concepts of fairness between generations, quality of life, social cohesion and international responsibility<sup>(4)</sup>. An advisory committee (Rat für Nachhaltige Entwicklung) composed of representatives of government officials, labour, industry, regional and local authorities, churches and NGOs is responsible for helping the government develop its strategy. A Committee on Sustainable Development ('Green Cabinet') mainstreams sustainable development in all policy fields. The federal government will assess progress on the strategy every two years, starting in 2004.

In November 2000, the German business community signed a voluntary agreement with the government to respect the timelines and targets of the **Kyoto Protocol** until 2012 (in some cases with more challenging quota for minimum emissions).

To boost the environmental responsibility of companies, the federal government promotes specific projects, for example on green finance or labelling through the measures 'framework conditions for innovation' (EUR 5 million over three years) and 'in-company instruments' (EUR 15 million over three years).

#### Social policies

Instruments such as grants towards social plan measures and structural short-time work allowances assist necessary manpower adjustment measures in companies undergoing **restructuring** processes whilst involving the company management. The latter assume social responsibility by contributing to the social security of affected employees and/or towards reintegration and re-employment measures.

<sup>(4)</sup> Concrete targets and indicators include energy and raw materials productivity, emissions, proportion of renewable energies, private and public spending on research, education and development, proportion of organic farming, air pollution and all-day care facilities for children.

The federal government has signed an agreement with German industry associations promoting gender **equal opportunities** in the private sector (best practices, advice for companies, and integration of equal opportunities/family friendliness in advice on training and corporate consulting). Evaluation is planned for the end of 2003.

The special '**training place developer**' programme is a specific initiative for eastern German companies to enhance their ability to provide training. Training place developers, who are fully funded by the federal government, provide practical assistance and, thanks to their work, around 14000 additional training places were offered in 2002.

### Trade and export policies (for example, promoting the OECD guidelines)

The **national contact point** (NCP) is located in the Ministry of Economics and Labour. Social partners and NGOs are involved in the work of the NCP through a specific working group. The ministry promotes the guidelines through its **export credit programme**: it provides a brochure on export credits that includes information on the guidelines, but does not, however, require corporations to acknowledge receipt or acceptance of the guidelines.

A working group on human rights and business has recently elaborated a **joint declaration on international protection of human rights and commercial activities**. This was signed in May 2002 by representatives of the federal government, the Federation of German Industries, the Confederation of German Employers' Associations and the German Trade Union Federation, as well as the Human Rights Forum and VENRO as the NGO associations. The declaration is based on the Universal Declaration of Human Rights, the Global Compact and the OECD guidelines.

### Development policies

The German government has launched a programme to **promote social and environmental standards in developing countries** (more than EUR 10 million) in sustainable agriculture, fair trade and certification in forestry.

#### Contacts:

Ministry of Economics and Labour, unit XB 1 (European Labour Policy)  
Mr Christoph Schumacher-Hildebrand

Ministry of Economics and Labour, unit XB 1 (European Labour Policy)  
Ms Vera Bade

#### German Council on Sustainable Development:

[www.nachhaltigkeitsrat.de/](http://www.nachhaltigkeitsrat.de/)

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/germany.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/germany.htm)

[europa.eu.int/comm/employment\\_social/socdial/csr/pdf2/013GOVNAT\\_Deutschland\\_Germany\\_020131\\_de.pdf](http://europa.eu.int/comm/employment_social/socdial/csr/pdf2/013GOVNAT_Deutschland_Germany_020131_de.pdf)

#### Other sources:

[www.eurosif.org/pub/sri/ctry/ge/hist.shtml](http://www.eurosif.org/pub/sri/ctry/ge/hist.shtml)

[www.eurosif.org/pub/sri/ctry/ge/feat.shtml](http://www.eurosif.org/pub/sri/ctry/ge/feat.shtml)

[www.eurosif.org/pub/sri/ctry/ge/legi.shtml#2](http://www.eurosif.org/pub/sri/ctry/ge/legi.shtml#2)

[www.multinationalguidelines.org/csr/snapshots.htm#Germany](http://www.multinationalguidelines.org/csr/snapshots.htm#Germany)

[www.csrcampaign.org/publications/Germany\\_page369.aspx](http://www.csrcampaign.org/publications/Germany_page369.aspx)

### Greece

The Ministry of Labour and Social Affairs is responsible for coordinating the efforts on CSR across the Greek economy. The Greek government is examining its practices in order to incorporate social and environmental matters, and implement the principles of CSR, mainly concerning the internal dimension of CSR (that is, management of human resources, health and safety at the workplace, and adaptation to change). As for the creation of more favourable conditions beyond legal requirements, the ministry lays particular emphasis on the initiatives of the social partners themselves, mainly at the level of enterprises.

#### Promoting CSR

##### Research

The Greek Economic and Social Commission is preparing a **study on CSR**, which will include a CSR definition, and proposals to promote CSR in the country.

##### Business incentives (for example, awards)

The Greek Institute of Hygiene and Security at Work, which was created with the cooperation of the social partners, grants an annual **award** to the enterprises which have promoted health and security at work and which have improved the conditions at work by means of good practices.

##### Contacts:

Ministry of Labour and Social Security  
Ms Stamatina Palla

Ministry of Labour and Social Security  
Ms Anastasia Charari

##### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/greece1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/greece1.htm)

##### Other sources:

[www.csrcampaign.org/publications/Greece\\_page367.aspx](http://www.csrcampaign.org/publications/Greece_page367.aspx)



## Spain

### Promoting CSR

#### Awareness raising and research

In December 2002, the Spanish Congress of Representatives passed a non-binding resolution urging the government to create a **Technical Advisors Committee of Experts** on CSR within its Ministry of Employment and Social Affairs in order to elaborate a **study on corporate social responsibility** and possible steps towards a wide and flexible framework outlining CSR. The possibility of creating a certification body for social quality and the implementation of a future social label will also have to be considered by the experts committee. The committee was launched in summer 2003. Members of the committee are drawn from other public authorities (Parliament, the Economic and Social Committee, regional administrations and autonomous communities), business, social partners, academia, and NGOs. The conclusions or recommendations contained in the committee's report will have a decisive influence in the design of national policies to foment CSR.

The Ministry of Labour and Social Affairs (MTAS) has elaborated a training module on environmental awareness which is a complementary course within the national training and inclusion plan and a manual of good environmental practices for the agriculture, construction and industry sectors. Also in the field of health and safety, the MTAS has developed training courses in the workplace adapted for each occupation and various manuals of good practice (such as in the construction sector).

#### Business incentives (for example, awards)

The Ministry of Labour and Social Affairs has created a variety of awards in the field of CSR: the **flexible company award** which encourages work-life balance; the **award for corporate responsiveness to the family**; and the **Infant Cristina award for corporate social action** which encourages social integration projects.

The Ministries of Economy and Science and Technology have created the '**Prince Phillip award for corporate excellence**', to acknowledge companies that stand out for their dedication to quality and their competitiveness.

In October 2002, the autonomous government of **Aragón** issued an *Orden* which grants public funding to local companies (mainly SMEs) engaging in CSR. The various activities rewarded include the implementation of codes of conduct in line with the UN Global Compact and the OECD guidelines, annual sustainability reporting, certification against SA800, AA1000 and other similar standards. The public funding will amount to a maximum of EUR 12 000 and cannot be more than 50% of the total cost of the initiative.

#### Management tools

The '**Optima programme**' by the Ministry of Labour and Social Affairs, promotes gender equal opportunities as a good management strategy for companies. Companies participating in the programme develop an Action Plan which has to be evaluated in order for the company to receive certification as a 'collaborating organisation for equal opportunities between men and women' (regulated by Ministerial Order). At present, 56 companies have joined the strategy and 26 have obtained certification.

### Ensuring transparency

#### Codes

Law 34 of July 2002 on information society services and e-trade foresees public administration to promote the elaboration and implementation of voluntary codes of conduct by companies, associations or commercial and consumer organisations in the field of information society services.

#### Socially responsible investment (SRI)

The Parliament has opened a debate in early 2003 to modify the law on institutional investors and the law on pension funds, introducing a requirement for the pension funds managers and institutional investors to disclose whether they are using ethical, social or environmental criteria for their investment decisions.

The National Stock Market Committee (Comisión Nacional del Mercado de Valores, CNMV) has recently adopted a document elaborated by Inverco, the Spanish Association of Institutional Investors and Pension Funds, on **requirements that investment funds** have to follow if they want to be referred to as 'ethical', 'social' or 'green' funds. The objective of this initiative is to increase transparency of information on the characteristics of a financial product and to avoid misleading advertising. Among the requirements is the need to disclose the ethical, social and environmental principles of the fund and the criteria used for the investment decisions. [www.cnmv.es/index.htm](http://www.cnmv.es/index.htm)

### Advertising

In the audiovisual field, radio and television operators have created the Association for the Control of Advertising, with the objective of establishing a self-regulation of the limits, beyond the legal ones, of responsible advertising.

### Others (Corporate governance)

Following the recommendations of the Aldama Report, the Parliament has passed two laws modifying the Anonymous Societies Act and the Stock Market Act reflected in the 26/2003 Act of July 17, called the **law of transparency**, with the following objectives: increase the responsibility of administrators, increase the level of protection granted to small investors and create new requirements for companies in terms of transparency.

## Developing CSR-supportive policies

### Fiscal policies

Law 4/2002 on the fiscal regulation of **non-profit entities** and **tax incentives for charity** provides tax benefits to non-profit entities and to the private-sector contribution towards public interest goals and activities.

#### Contacts:

Ministerio de Trabajo y Asuntos Sociales.

Mr Miguel Borrachina, Director General de Fomento de la Economía Social y del Fondo Social Europeo

Dirección General de la Economía Social y del Fondo Social Europeo

Ms Maria Luisa Leal, Subdirectora General Adjunta

Representación Permanente de España ante la UE

Mr Francisco Alonso, Consejero

#### Spanish public policies on CSR:

[www.mtas.es](http://www.mtas.es)

Responsabilidad Social Corporativa y Políticas Públicas by Fundación Ecología y Desarrollo, January 2003,

[www.ecodes.org/](http://www.ecodes.org/)

#### Other sources:

[www.csrcampaign.org/publications/Spain\\_page372.aspx](http://www.csrcampaign.org/publications/Spain_page372.aspx)

## France

### Promoting CSR

#### Awareness raising

During the French Presidency of the G8 in 2003, the ILO Declaration on Fundamental Principles and Rights at Work, the OECD guidelines<sup>(5)</sup>, and the UN Global Compact were actively promoted. France supported the Global Compact financially with a EUR 100 000 contribution and French companies were encouraged to join the UN initiative and set up a network for the promotion of its principles<sup>(6)</sup>.

#### Public-private partnerships

In the framework of the government programme to fight **discrimination**, a long-term public-private agreement was signed in March 2002 by the company Adecco and Fasild (Fund for Action and Support of Integration and the Fight against all Discrimination) in order to prevent discriminatory practices.

### Ensuring transparency

#### Reporting

In May 2001, with the adoption of the law on the **new economic regulations**, France became the first country to mandate triple bottom line reporting for publicly listed companies (Law No 2001-240, Article 116). According to the new law, the annual report of a listed company shall 'contain information ... on how the company takes into account the **social and environmental consequences** of its activities'.

The law applies to French quoted companies at group level and internationally. It obliges companies to report on a set of qualitative and quantitative social indicators — which have been specified by a decree — but it does not provide guidelines for reporting. By request of the three ministers in charge, respectively of social affairs, the environment and the economy, an evaluation of this law has just been launched. [www.legifrance.gouv.fr/WAspad/UnTexteDeJorf?numjo=JUSC0220073D](http://www.legifrance.gouv.fr/WAspad/UnTexteDeJorf?numjo=JUSC0220073D)

The **following social information** must appear in the report of the board or of the executive board:

1. a) total workforce, recruitment with a distinction between fixed-term contracts and permanent contracts and with an analysis of the possible difficulties in recruiting, of redundancies and their motives, of overtime, of sub-contracted labour;
- b) if need be, information relating to staff reduction and employment safeguard plans, to the efforts made for staff redeployment, re-employment and subsequent accompanying measures;
2. organisation of working hours, their duration for full-time and part-time wage-earning employees, absenteeism and its motives;
3. wages and their evolution, welfare costs, the application of Title IV, Book IV of the Code of Labour, professional equality between women and men;
4. industrial relations and the assessment of collective bargaining agreements;
5. health and safety conditions;
6. training;
7. employment and integration of disabled workers;
8. company benefits and social schemes;
9. importance of sub-contracting.

Moreover, corporations are required to report on **community issues**. Specifically, they must report on the way they take into account the impact of their activities on local development and local populations. In addition, they must report on how they engage with local stakeholder groups including environmental NGOs, consumer groups, educational institutions and local communities.

As for **labour standards**, corporations have to report on the way in which their international subsidiaries respect the ILO core labour conventions and the way in which they promote the ILO conventions with regard to their international sub-contractors.

<sup>(5)</sup> The declaration 'Fostering growth and promoting a responsible market economy' adopted by the G8 in Evian encourages companies 'to work with other parties to complement and foster the implementation of existing instruments' (the OECD guidelines and ILO 1998 declaration).

<sup>(6)</sup> French companies adhering to the Global Compact went from around 30 in January 2003 up to 205 in September 2003. A national contact point has been set up to encourage companies, especially SMEs, to join the Global Compact and exchange information and good practices.

The following information on the **environmental consequences** of the activity of the company must appear in the annual report:

1. consumption of water resources, raw materials and energy, and a description (if need be) of the measures taken to increase energy efficiency and the use of renewable energies, conditions of soil use, air, water and soil pollution emissions that could dramatically affect the environment, the list of which will be determined by an order of the Ministers for the Environment and for Industry, noise, and factory pollution and waste;
2. measures taken to limit the damage to biological balance, to the natural environment, to protected animal and vegetal species;
3. assessment or certification actions taken in terms of environmental protection;
4. actions taken, if need be, to ensure the conformity of the company's activity with the legal provisions in that field;
5. expenditures made to prevent the consequences of the company's activity on the environment;
6. existence, within the company, of internal departments in charge of environmental management issues, training and information of employees on these issues, means dedicated to the reduction of environmental risks as well as the organisation put in place to deal with pollution accidents with consequences beyond the company's sites;
7. amount of provisions and guarantees allocated for environmental risks unless this information is likely to cause a serious prejudice to the company in an ongoing lawsuit;
8. amount of compensation for environmental damages paid during the fiscal year in execution of a court order and measures taken to repair these environmental damages.

### Socially responsible investment (SRI)

The law on a **public pension reserve fund**, adopted in July 2001, requires disclosure of social, and ethical criteria used for investment. 'The management board (...) implements the investment policy guidelines ... and regularly reports to the supervisory board and particularly relates on how these guidelines have taken into account social, environmental and ethical considerations.'

The law on the generalisation of **employee savings plans** adopted in February 2001 (Law No 2201-152, Article 21) requires that employee saving funds 'specify the social, environmental or ethical considerations the fund management company must take into account when buying or selling stocks and securities. The fund's annual report indicates how these considerations have been taken into account'.

A cross-trade-union Committee for Employees' Savings (CIES — comité intersyndical de l'épargne salariale) was set up in January 2002 by four trade unions (CFDT, CGC, CFTC and CGT) with the aim of controlling the way employee salary savings schemes are invested and to guide fund managers towards secure and socially responsible funds. The Committee has launched a **quality label** for financial products in France, which certifies their financial, social and environmental quality. In 2002, seven products were labelled.

## Developing CSR-supportive policies

### Sustainable development

In June 2003, France adopted a **national strategy for sustainable development** and created a **National Sustainable Development Council**, which is responsible for the elaboration of the strategy and includes 90 members from different groups of civil society. A **high-level group for sustainable development** has also been set up to follow the implementation of the strategy. Each ministerial department has nominated a senior civil servant in charge of sustainable development.

The national strategy promotes CSR **along three objectives**: creation of a reference system at national level; analysis of practices; and development of socially responsible investment (SRI). The Ministry of Social Affairs, Labour and Solidarity has created a transversal mission in order to follow the implementation of the strategy, to



develop the observation of practices, and to encourage the complementarity and interaction of the different partners. Financial means to encourage companies to start sustainable development practices will be available.

Within this strategy, studies have been launched to evaluate the way SMEs take into account sustainable development and to promote their involvement in CSR.

### Public procurement

Since March 2001, the French law on public procurement authorises the inclusion of **social and environmental considerations** among the clauses of public procurement contracts (Article 14). A new reform, which is presently being elaborated, will introduce sustainable development and a high-quality environment in public-procurement criteria.

### Social policies

With a view to articulating the different parts and to spread the actions which encourage the valorisation of human resources and employment quality, the Ministry of Labour organises meetings with companies, social partners and scientists to examine the practices and new trends in the sectors of training, valorisation of experience, abilities and competence, and age management in companies.

### Trade and export policies (for example, promoting the OECD guidelines)

The French **national contact point** for the OECD guidelines, with a three-tiered structure and inter-ministerial composition, treated several cases in 2002.

French companies asking for **export credits** or **investment guaranty** are systematically informed about the OECD guidelines for multinational companies. This information is conveyed through a letter sent to each company by the insurance agency Coface, acting on behalf of the French State, as well as a statement which companies have to sign acknowledging that they 'have been informed about the principles of the guidelines'.

Coface now uses the environment-common approaches adopted in December 2001 by the OECD, and goes beyond those as it has set some sector guidelines (for the oil, dams and thermal power station sectors) which include the protection of indigenous populations.

#### Contacts:

Ministère des affaires sociales, du travail et de la solidarité  
Ms Laurence Vagnier, Sous-directrice des droits des salariés

Ministère des affaires sociales, du travail et de la solidarité  
Ms Geneviève Besse, Mission transversale RSE

Ministère de l'emploi et de la solidarité DAEI  
Mr Maurice Mezel

#### Représentation permanente de la France auprès de l'Union européenne:

Mr Bernard Krynen, Conseiller aux affaires sociales et travail

#### Ministry of Sustainable Development website:

[www.environnement.gouv.fr/actua/actualiteministre.htm](http://www.environnement.gouv.fr/actua/actualiteministre.htm)

#### Link on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/france.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/france.htm)

[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_France\\_France\\_020201\\_fr.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_France_France_020201_fr.pdf)

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[www.eurosif.org/pub/sri/ctry/fr/feat.shtml](http://www.eurosif.org/pub/sri/ctry/fr/feat.shtml)

[www.eurosif.org/pub/sri/ctry/fr/legi.shtml](http://www.eurosif.org/pub/sri/ctry/fr/legi.shtml)

[www.csrcampaign.org/publications/France\\_page366.aspx](http://www.csrcampaign.org/publications/France_page366.aspx)



## Ireland

The Department of Social, Community and Family Affairs is strongly committed to social partnership and the involvement of the business sector in the fight against social exclusion. Numerous national and local partnerships, bringing together social partners, public authorities and civil society organisations, have been set up in recent years to generate economic development as well as to increase employment opportunities.

### Promoting CSR

#### Awareness raising

The Irish government supported the establishment of the business-led **Foundation for Investing in Communities** and **Business in the Community — Ireland** with the aim of encouraging businesses to make CSR and community involvement part of their mainstream business practices, and to encourage philanthropy.

The **National Committee on Volunteering** (NCV) was established in December 2000, following proposals in the programme for prosperity and fairness, and the subsequent White Paper 'Supporting voluntary activity'. Its work includes making recommendations on the development of a national policy and infrastructure to support the voluntary sector in Ireland.

The 'Tipping the balance' report of October 2002 includes recommendations on the development and support of corporate community involvement through employer-supported volunteering.

#### Public-private partnerships

In 2001, the **National Centre for Partnership and Performance** was established by the government to promote partnerships between organisations in the private and public sector aiming at adapting to change, building capacity and improving performance.

**National and local partnerships** involving representatives from public and private-sector organisations and public authorities are also increasingly being forged in response to social exclusion. One example is **Area Development Management Ltd (ADM)** which aims to deliver local development measures addressing problems of social exclusion, poverty and unemployment in specific disadvantaged areas.

In 1993, the government established the **National Economic and Social Forum** to help develop a wider national consensus on social and economic policy initiatives, for example, in relation to unemployment, equality and social exclusion. The Forum is composed of national and local public representatives, business, trade union and farm organisations, community and voluntary-sector organisations.

#### Business incentives (for example, awards) and management tools

**Enterprise Ireland** (Ireland's Development Agency for Indigenous Enterprise) works closely with companies to improve certain aspects of CSR including their environmental performance. An initiative currently operating is the **environmental management scheme**, which provides financial assistance to EI client companies, and support and training for the company's management in the integration of an environmental management system.

Enterprise Ireland also runs the **environmentally superior products programme**. This programme was initially run as a pilot scheme from 1999 to 2001 and subsequently extended. It aims to encourage companies to reduce the environmental impact of their products. Under the environmentally superior product initiative, suitable applicants may receive grant support for projects to assess the potential for the programme within their existing or new product ranges. The initiative is open to small and medium-sized enterprises (SMEs) engaged in manufacturing and that are within the remit of Enterprise Ireland, that is, indigenous Irish manufacturing industries.

Dublin City Council, together with the Dublin Chamber of Commerce and Guinness Diageo, established the **Guinness Living Dublin Awards** in 1994 to celebrate those groups, individuals and businesses working to improve the quality of life in Dublin City and County. [www.dubchamber.ie/glda/index.html](http://www.dubchamber.ie/glda/index.html)

## Ensuring transparency

### Labels

**Excellence through people standard** is a human resources standard for companies who wish to have their human resources policies and practices independently verified and accredited by the Training and Employment Authority of Ireland. [www.fas.ie/services\\_to\\_businesses/excellence\\_through\\_people.html](http://www.fas.ie/services_to_businesses/excellence_through_people.html)

### Advertising

In 2001, the **Advertising Standards Authority for Ireland** issued a Code of Advertising Standards for Ireland (5th edition) and Code of Sales Promotion Practice, (3rd edition) regulating commercial advertisements in the consumer interest. [www.asai.ie](http://www.asai.ie)

## Developing CSR-supportive policies

### Sustainable development

In January 2003, the Irish Department of Enterprise, Trade and Employment published a new **strategy on sustainable development**, which sets tasks and targets relating to the impact of business in areas such as climate change and competitive sustainability, and which includes a **new strategy goal on corporate social responsibility**. Implementation of this strategy has commenced and selected measures are under way to enhance the capacity of enterprises to move towards sustainable management practices.

The **Sustainable Energy Act** (2002) provides for the establishment of a Sustainable Energy Authority of Ireland to promote and assist environmentally and economically sustainable production, supply and use of energy.

### Fiscal policies

In the 2001 Finance Act, a reform of the **regulation of charities** and charitable fundraising provided that donations to charitable organisations by the corporate sector would be treated as a trading expense.

#### Contacts:

Department of Community, Rural and Gaeltacht Affairs  
Mr Tony Fallon

Department of Enterprise, Trade and Employment  
Ms Frances Gaynor

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/ireland.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/ireland.htm)

[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_Ireland\\_Ireland\\_011221\\_en.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_Ireland_Ireland_011221_en.pdf)

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[www.csrcampaign.org/publications/Ireland\\_page368.aspx](http://www.csrcampaign.org/publications/Ireland_page368.aspx)



## Italy

In 2002, the Italian Ministry of Labour and Social Affairs started developing the 'CSR-SC (corporate social responsibility-social commitment) project'. With this initiative, the Ministry of Labour and Social Affairs intends to mainstream CSR among companies and the public administration, define a flexible and modular set of indicators, support SMEs in developing CSR strategies and safeguard consumers on the effectiveness of communication campaigns on CSR. Other initiatives promoting CSR are regional or local based.

### Promoting CSR

#### Awareness raising

CSR was one of the main priorities of the Italian Presidency of the European Union (second semester 2003). In November 2003, the Italian Presidency organised, with the support of the European Commission, DG Employment and Social Affairs, the **third European Conference on CSR** focusing on the role of public policies and CSR. Labour ministers from six EU Member States, members of the European Commission, the European Parliament, and key European and national stakeholders were amongst the participants.

[www.euitaly2003.it/EN/LaPresidenzaInforma/Calendario/11/14/ev\\_14novop.htm](http://www.euitaly2003.it/EN/LaPresidenzaInforma/Calendario/11/14/ev_14novop.htm);

[www.welfare.gov.it/EaChannel/MenuTematiche/csrs/DocumentiUfficiali/Atti+conferenza+CSR.htm](http://www.welfare.gov.it/EaChannel/MenuTematiche/csrs/DocumentiUfficiali/Atti+conferenza+CSR.htm)

On 27 November 2003, a joint agreement between the Italian Minister for Labour and Social Affairs and the President of Unioncamere was signed with the aim of promoting CSR and the CSR-SC project among Italian enterprises, and to set up a 'CSR-SC information point' to support enterprises in the self-assessment procedure and in the preparation of the social statement (see below).

#### Business incentives (for example, awards)

The **CSR-SC (social commitment)** project, developed by the Italian Ministry of Labour and Social Affairs in cooperation with Bocconi University, was officially presented at the Presidency Conference on CSR in November 2003. It aims to promote companies' ethical behaviour, and their active participation in national and local welfare schemes. The players involved in the project are companies, the Ministry of Labour and Social Affairs and the CSR Forum (to include social partners, the government and NGOs).

The project envisages three steps:

1. dissemination of a socially responsible culture among companies through awareness raising, adequate training and information activities;
2. the **CSR level**, where companies which voluntarily agree to participate in the CSR-SC project adopt a 'social statement' according to pre-defined guidelines and a set of indicators. The social statement allows companies to report on their CSR initiatives and is to be reviewed by an ad hoc body called the CSR Forum. If the Forum evaluation is positive, the company is listed in a specific database. If it is negative, further explanations are requested from the company;
3. the **SC (social commitment)** level, where companies which decide to participate actively in social initiatives give a financial contribution to a SC Fund, for which they qualify for fiscal and financial benefits. The SC Fund is created within the government budget and finances the projects listed among the priorities of the National Action Plan on Employment, the Joint Conference (dealing with matters and priorities shared by Regions, Provinces and Municipalities) and NGOs.

A pilot test, carried out on 24 companies, allowed the Ministry of Labour and Social Affairs to study the applicability of indicators.

[www.welfare.gov.it/NR/rdonlyres/erbr3ybetuw5556auzhu5w5lcsekieu3z2ke3cjs2j72ague3sazzy2wvvglwio6sd2dhckckbpyw7qrisec7azr4b/propostagovernolNG.pdf](http://www.welfare.gov.it/NR/rdonlyres/erbr3ybetuw5556auzhu5w5lcsekieu3z2ke3cjs2j72ague3sazzy2wvvglwio6sd2dhckckbpyw7qrisec7azr4b/propostagovernolNG.pdf)

An executive survey about the awareness of CSR (of 4 000 Italian enterprises) two years after the CSR-SC project's launch can be found at:

[www.welfare.gov.it/NR/rdonlyres/e7oovwuqiwpfoslvd2rtcwjlqknizdfxdjbtvcv5mzpuyve23x3mb3fedy5uc2vcoo2hqzd2qkdqi4o4xabrmelcqb/ModelsofCSRinItaly.PDF](http://www.welfare.gov.it/NR/rdonlyres/e7oovwuqiwpfoslvd2rtcwjlqknizdfxdjbtvcv5mzpuyve23x3mb3fedy5uc2vcoo2hqzd2qkdqi4o4xabrmelcqb/ModelsofCSRinItaly.PDF)

- Within the initiative SA 8000<sup>(7)</sup>: Eticità nelle Attività Produttive, the **Tuscany Region** grants **financial supports** to local SMEs which want to be certified SA 8000, covering up to 50 % of their consulting and certification costs. In addition, in order to spread knowledge and raise awareness, the **Tuscany Region** has created a **CSR office** within the Department of Economic Development, a **Multi-stakeholder Committee** (Commissione Etica Regionale per la RSI) within the Giunta Regionale and the **Fabrica Ethica** website. [www.fabricaethica.it](http://www.fabricaethica.it)
- In December 2002, the **Emilia Romagna** region approved a regional law that foresees financial support for the promotion of **traceability systems** in the agricultural and food sector. The projects eligible for funding concern the introduction of traceability systems in the whole supply chain, from the producer to the consumer. The beneficiaries are individual companies, recognised producer organisations, interprofessional organisations and companies specialised in traceability projects.

## Ensuring transparency

### Labels

The **Emilia Romagna region** is working on a new **social quality label** that includes not only product quality criteria, but also responsible production criteria. The label is being developed by a Foundation (Istituto per il Lavoro) through a multi-stakeholder committee composed of trade unions, employers' federations, public officials, volunteer organisations and academics. It seeks to integrate different schemes, such as SA8000, ISO 14000, EMAS, Ecolabel and OHSAS 18001.

## Developing CSR-supportive policies

### Public procurement and fiscal policies

- At the moment, measures to grant advantage of tax and financial benefits are under discussion. In particular, specific measures include the **recently approved tax law**, whose Article 3 calls for tax exemptions for charitable donations made by private parties — and, therefore, businesses as well — in a number of areas that include family and social welfare. In addition, a social reform is currently being drawn up, under which severance-pay funds currently being matured will be freed, with the result that some billions of euro a year in supplementary pension funds will be placed on the market. The government's objective is to develop supplementary funds managed on an ethical basis.
- SA8000 certification is among the awarding criteria of some public tenders of the **Tuscan region** (for instance, for public transport).
- **The Umbria region**, with the regional law of 12 November 2002, issued a register of enterprises which are certified SA800. Inclusion on this register implies a preferential treatment in public procurement, financial supports for training and certification, simplified administrative procedures and fiscal incentives.
- In February 2003, the **Provincia di Chieti** in the **Abruzzo region** presented a proposal for a regional law which grants companies that are certified SA 8000, EMAS, ISO 14000, and OHSAS 18001, a preferential treatment in public procurement, financial support for training and certification, simplified administrative procedures and fiscal incentives.

<sup>(7)</sup> The standard SA 8000 has received great interest amongst the Italian business community: over the past years, 25 Italian companies (over half of Europe's total of 40!) have been certified against the standard.

**Contacts:**

Ministry of Labour and Social Affairs

Ms Katia Martino, Responsible for CSR-SC project

**Italian Ministry of Welfare CSR website:**

[www.welfare.gov.it/EaChannel/MenuTematiche/csrs/Presentazione/default.htm?baseChannel=csrs&actualChannel=](http://www.welfare.gov.it/EaChannel/MenuTematiche/csrs/Presentazione/default.htm?baseChannel=csrs&actualChannel=)

**Links on Europa:**

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/italy1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/italy1.htm)

[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/014-GOVREG\\_Toscana\\_Italy\\_020109\\_it.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/014-GOVREG_Toscana_Italy_020109_it.pdf)

**Other sources:**

[www.eurosif.org/pub/sri/ctry/it/hist.shtml](http://www.eurosif.org/pub/sri/ctry/it/hist.shtml)

[www.eurosif.org/pub/sri/ctry/it/feat.shtml](http://www.eurosif.org/pub/sri/ctry/it/feat.shtml)

[www.eurosif.org/pub/sri/ctry/it/legi.shtml](http://www.eurosif.org/pub/sri/ctry/it/legi.shtml)

[www.csrcampaign.org/publications/Italy\\_page370.aspx](http://www.csrcampaign.org/publications/Italy_page370.aspx)

## Luxembourg

### Promoting CSR

#### Business incentives (for example, awards)

Since 1993, the Ministry for the Advancement of Women and Women's Business has awarded an annual **prize** to companies that have successfully developed a culture of equality between men and women in their daily work.

#### Contacts:

Ministère du travail et de l'emploi  
Ms Nadine Welter, Attachée de direction

## Netherlands

In March 2001, as a response to an opinion issued by the Social and Economic Council (SER), the Dutch government issued a position paper on CSR. The government refrains from imposing CSR on firms, but aims to promote CSR at local, national and international level. The Ministry of Economic Affairs coordinates CSR issues within the different government departments.

### Promoting CSR

#### Awareness raising

In December 2002, the Dutch government set up an independent **Knowledge and Information Centre on CSR** with the aim of improving knowledge on CSR in both the national and international context, and to promote dialogue and partnerships between businesses, NGOs, local government and citizens. The Knowledge Centre on CSR will mainly target business, (local) governments and NGOs, and its executive board receives input from a monitoring group composed of business, NGOs and other stakeholders.

Amongst the services provided are:

- information on CSR to SMEs and intermediary organisations;
- stock take of good practices, identify success and failure factors;
- fostering multi-stakeholder partnerships;
- a platform for stakeholder dialogue to promote mutual understanding between the parties.

#### Research

The Ministry of Economic Affairs, in cooperation with NIDO (National Initiative on Sustainable Development), has set up a **research programme on CSR**, which involved nine different research teams from all over the Netherlands. The programme is designed to coordinate research on CSR conducted in Dutch universities, deepen the management perspective on CSR, and assist companies in generating added-value in the social, economic and environmental spheres.

#### Public-private partnerships

At local level, the government supports the development of **public-private partnerships** focusing on employment, social cohesion and the environment.

#### Business incentives (for example, awards)

The Dutch government organises a **CSR stimulation award** for companies in the Dutch agri- and food industry.

### Ensuring transparency

In cooperation with food-processing companies, the Ministry of Agriculture, Nature and Food Quality has founded a '**platform for transparency and ICT**' to increase transparency in the Dutch food-supply chain.

#### Reporting

Around 300 Dutch companies (of most polluting sectors) are required to **report** to the government and the general public on their **environmental performance** (for example, on emissions).

Following the Social and Economic Council recommendations on CSR, the Dutch government has requested advice to the Council for Annual Reporting on how social aspects can be integrated into corporate annual reports. A multi-stakeholder taskforce on CSR was then set up under the Council for Annual Reporting to develop a set of **Dutch reporting guidelines** which were released in 2003 after extensive stakeholder consultations. The guidelines focus on a number of key general issues and are meant as a kind of introduction to social reporting for interested companies in the Netherlands. [www.rjnet.nl](http://www.rjnet.nl)

## Socially responsible investment (SRI)

The 1995 **green investment directive** promotes access to finance for environmentally sound projects. This directive foresees that the returns from green financial intermediaries are exempted from income taxes. A 'green intermediary' is a financial intermediary that originates loans and investments in green projects that comply with a host of criteria as put up by the government. For asset and liability risk management reasons, green intermediaries are allowed to allocate at most 30% of their assets in non-green projects, so at least 70% of their money must be invested in approved 'green' projects. Special government agencies control and monitor the green projects and decide whether a project qualifies to be a green project.

## Developing CSR-supportive policies

### Trade and export policies (for example, promoting the OECD guidelines)

The **national contact point** (NCP) for the OECD guidelines is an interdepartmental committee chaired by the Ministry of Economic Affairs. The NCP holds meetings with the social partners and NGOs.  
[www.oesorichtlijnen.nl](http://www.oesorichtlijnen.nl)

The government requires companies wanting taxpayer-funded subsidies to declare in writing that they are familiar with the **OECD guidelines** and that they will make an effort to apply them in their own activities within the limits of their ability. The government will not monitor compliance with this 'declaration of intent' and sanctions are not foreseen. As no company is forced to apply for government subsidies or guarantees, the guidelines remain essentially voluntary.

### Development policies

The Ministry of Economic Affairs and the Ministry of Development Cooperation are working on a strategy of poverty reduction in developing countries (OTA). Public-private partnerships and CSR are important elements of the strategy.

The Ministry of Development Cooperation promotes CSR in developing countries, for example, supporting NGOs and labour unions to raise awareness of CSR within their networks of partners in third countries. The Ministry also supports fair-trade projects, such as campaigns of the Fair Trade Organisation or the Worldshops.

#### Contacts:

Ministry of Economic Affairs  
 Directorate for Trade and Investment  
 Mr Puk van der Linde  
 Ms Jeannette Baljeu

Ministry of Social Affairs and Employment  
 Mr Lauris Beets

Ministry of Social Affairs and Employment  
 Directorate for International Affairs  
 Ms Anita Blom

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/netherlands1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/netherlands1.htm)  
[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_Netherlands\\_NL\\_020205\\_nl.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_Netherlands_NL_020205_nl.pdf)

#### Other sources:

[www.eurosif.org/pub/sri/ctry/nl/hist.shtml](http://www.eurosif.org/pub/sri/ctry/nl/hist.shtml)  
[www.eurosif.org/pub/sri/ctry/nl/feat.shtml](http://www.eurosif.org/pub/sri/ctry/nl/feat.shtml)  
[www.eurosif.org/pub/sri/ctry/nl/legi.shtml](http://www.eurosif.org/pub/sri/ctry/nl/legi.shtml)  
[www.multinationalguidelines.org/csr/Boeckler/netherlands.htm](http://www.multinationalguidelines.org/csr/Boeckler/netherlands.htm)  
[www.csrcampaign.org/publications/TheNetherlands\\_page363.aspx](http://www.csrcampaign.org/publications/TheNetherlands_page363.aspx)



## Austria

### Promoting CSR

#### Awareness raising

The **CSR Austria** initiative was created in late 2002 by the Austrian Industry Federation in cooperation with the Federal Ministry of Economic Affairs and Labour, and the Chamber of Commerce to raise awareness, develop a common understanding on CSR, and formulate Austrian guidelines on CSR, that is, a framework for 'economic success with social responsibility' (Leitbild Wirtschaftlicher Erfolg mit gesellschaftliche Verantwortung) through the organisation of events, workshops and surveys. The creation of an Austrian CSR award is also foreseen. [www.csr-austria.at](http://www.csr-austria.at)

#### Business incentives (for example, awards)

Since 1999, the Federal Ministry of Social Security, Generations and Consumer Protection (BMSG) has organised a federal competition rewarding the enterprise with the **best equal opportunity and family-friendly policy**. Companies participating in the competition are assessed on a number of criteria, for example, the number of women in a leading position and the number of women benefiting from lifelong learning initiatives, the number of part-time jobs, flexibility of working hours and places, children-supportive policies, etc. [www.bmsg.gv.at/cms/site/](http://www.bmsg.gv.at/cms/site/)

Since 2002, an **award for excellency** in the field of **health and security at work** has been given by the Federal Ministry of Economic Affairs and Labour to Austrian companies for excellence in the field of health and security at work, and the improvement of working conditions.

#### Management tools

The **Familie & Beruf Audit** (family and professional career audit) initiative was developed in 1998 by the Federal Ministry of Social Security, Generations and Consumer Protection to enable companies to assess the family-friendliness of their personnel policy and develop it further. Within this initiative, companies are audited on criteria such as working time and place, personal development, financial services for families, etc. At the end of the audit, which is performed by external consultants, a certificate entitled Familie & Beruf can be granted to a company for three years. [www.bmsg.gv.at/cms/site/](http://www.bmsg.gv.at/cms/site/)

In 2001 and 2002, the Federal Ministry of Economic Affairs and Labour participated, together with other ministries (Environment; Transport, Innovation and Technology, etc.) in an interdepartmental project Integrierten Umwelt-, Gesundheits- und Sicherheits-managements für KMUs, aimed at helping **SMEs** integrate **environmental, health and safety, and quality-management systems**.

### Ensuring transparency

#### Codes

The Federal Ministry of Social Security, Generations and Consumer Protection has participated, together with Respect (the Institute for Integrative Tourism and Development) and Jumbo Touristik (an Asian tour operator), in a project aiming at developing a **code of conduct for the protection of children from sexual exploitation in travel and tourism**. The project includes training of personnel in the country of origin and at travel destinations; a clause in contracts with suppliers repudiating commercial sexual exploitation of children; information to travellers provided in catalogues, ticket shops, and home-pages; and reporting. The code was signed in 2001 by the Austrian social partners in the tourism sector.

#### Reporting

The **guidelines for sustainability reporting** in Austria were developed by the Austrian Institute for Sustainability, the Federal Ministry of Economic Affairs and Labour, the Federal Ministry of Agriculture, Forestry, Environment and Water Management (BMLFUW or Lebensministerium), the Austrian Business Council for Sustainable Development, the Austrian Federal Economic Chamber and the Federation of Austrian Industries. They are meant to standardise and facilitate the reporting on sustainable management issues and are addressed to all enterprises in Austria. [www.nachhaltigkeit.at/bibliothek/pdf/nhb\\_leitfaden.pdf](http://www.nachhaltigkeit.at/bibliothek/pdf/nhb_leitfaden.pdf)

#### Labels

**Certificate Familie & Beruf** awarded by the Federal Ministry of Social Security, Generations and Consumer Protection for family-friendly business practices (see above).

The Federal Ministry of Social Security, Generations and Consumer Protection also awards, together with the Federal Ministry of Agriculture, Forestry, Environment and Water Management an **environmental label** in the **tourism sector**. [www.umweltzeichen.at/](http://www.umweltzeichen.at/)

### Socially responsible investment (SRI)

Within the Austrian sustainability initiative, the Lebensministerium is coordinating a number of measures which have a direct bearing on CSR issues: with the aim of strengthening the market for socially responsible investments in Austria, **a platform for socially responsible investments** was founded in 2001 by the Austrian Society for Environment and Technology (OEGUT) with the support of the Lebensministerium. This platform constitutes a network and source of information about SRI activities in Austria and Europe, and is working on the development of a medium-term strategy to support supply and demand within the area of SRI. [www.gruenes.geld.at](http://www.gruenes.geld.at)

## Developing CSR-supportive policies

### Sustainable development

The federal government adopted the Austrian strategy for sustainable development in April 2002. Amongst its areas of actions are a set of objectives to promote local business competitiveness and successful management through eco-efficiency, correct prices for resources and energy, and the strengthening of sustainable products and services. [www.nachhaltigkeit.at/strategie/pdf/strategie020709\\_en.pdf](http://www.nachhaltigkeit.at/strategie/pdf/strategie020709_en.pdf)

The website [Nachhaltigkeit.at](http://Nachhaltigkeit.at) is an initiative launched in 2000 by the Federal Ministry of Agriculture, Forestry, Environment and Water Management aimed at disseminating information (news, events, publications, etc.) on sustainability issues in Austria and German-speaking countries. [www.nachhaltigkeit.at](http://www.nachhaltigkeit.at)

### Trade and export policies (for example, promoting the OECD guidelines)

Austria is actively promoting the OECD guidelines for multinational enterprises. The Austrian **national contact point** lies in the Federal Ministry of Economic Affairs and Labour (Export and Investment Policy Division) and is assisted by an advisory committee gathering representatives of government, the social partners and NGOs, which functions as a platform to foster debate on international business practices between social partners, public authorities and civil society organisations. [www.oecd-leitsaetze.at](http://www.oecd-leitsaetze.at)

Austria is considering linking the guidelines to export credit guarantees. Each business applying for export credits will receive a folder with an explanation of the guidelines, but firms will not be required to follow the guidelines or report on them.

#### Contacts:

Federal Ministry of Economics and Labour  
Ms Elfriede Pfeffer

#### Austrian government CSR website:

[www.bmwa.gv.at/BMWA/Themen/Arbeitsrecht/EU/SozialeVerantwortung/default.htm](http://www.bmwa.gv.at/BMWA/Themen/Arbeitsrecht/EU/SozialeVerantwortung/default.htm)  
[csr.webisodes.at/website/output.php](http://csr.webisodes.at/website/output.php)

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/austria.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/austria.htm)  
[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_Osterreichs\\_Austria\\_020108\\_de.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_Osterreichs_Austria_020108_de.pdf)

#### Other sources:

[www.eurosif.org/pub/sri/ctry/au/hist.shtml](http://www.eurosif.org/pub/sri/ctry/au/hist.shtml)  
[www.eurosif.org/pub/sri/ctry/au/feat.shtml](http://www.eurosif.org/pub/sri/ctry/au/feat.shtml)  
[www.eurosif.org/pub/sri/ctry/au/legi.shtml#1](http://www.eurosif.org/pub/sri/ctry/au/legi.shtml#1)  
[www.multinationalguidelines.org/csr/Boeckler/Austria.htm](http://www.multinationalguidelines.org/csr/Boeckler/Austria.htm)

## Portugal

The responsibility for the Portuguese policy on CSR lies within the Ministry of Social Security and Labour.

### Promoting CSR

#### Business incentives (for example, awards)

The Commission for Equality in Work and Employment (Comissão para a Igualdade no Trabalho e no Emprego, CITE) awards its **equality is quality** (Igualdade é Qualidade) prize annually for companies with exemplary policies in the area of equal opportunities. All companies or organisations with a balanced economic performance over the last few years are eligible to apply, provided that they have carried out good practices such as: monitoring the status and progress of male and female workers; conducting human resources policies aimed at improving equal opportunities in recruitment, career advancement, vocational training, the balancing of employees' work activities with their home lives, and the overall management of gender-related issues; balanced participation of male and female workers in consultation and/or decision-making processes; and use of appropriate, non-discriminatory language in all company or organisational documentation, internal memos and announcements.

The prize **Prevenir Mais, Viver Melhor No Trabalho** is sponsored by the Institute for the Development and Inspection of Working Conditions, and aims to award enterprises and employers with the best practices in the field of security and/or health at work, as well as studies and research made in the field of the prevention of occupational diseases.

Also, the National Institute for Employment and Professional Training and the Secretariat for the Rehabilitation and Integration of Disabled People have been awarding the **Prémio de mérito** prize annually since 1991, to enterprises and employers with better practices in the field of professional rehabilitation, and integration of people with disabilities.

### Ensuring transparency

#### Reporting

Law No 141/85 and Decree-Law No 9/92 require that companies with 100 or more employees issue a **report on the social balance** every year and forward it to the Labour Ministry. The social balance report provides essential information on the organisation's human resources management, and the effectiveness of social investments and of actions to improve employees' quality of life.

#### Contacts:

Ministerio do Trabalho & da Solidariedade  
Mr Fernando Ribeiro Lopes

Ministerio do Trabalho & da Solidariedade  
Department of European Affairs and International Relations  
Ms Alexandra Pimenta

Ministerio do Trabalho & da Solidariedade  
Ms Maria Paula Figueiredo

#### Source:

[www.csrcampaign.org/publications/Portugal\\_page371.aspx](http://www.csrcampaign.org/publications/Portugal_page371.aspx)

## Finland

### Promoting CSR

#### Awareness raising

The **Finnish Ethical Forum** was set up in June 2001 to discuss questions of business ethics and corporate social responsibility, and it gathers representatives from companies, trade unions, church organisations and officials. The Forum meets several times each year to discuss specific topics. Public authorities have been participating as observers. [www.eettinenfoorumi.org/english.shtml](http://www.eettinenfoorumi.org/english.shtml)

#### Business incentives (for example, awards)

Since 1996, a **social and environmental reporting award** is granted annually to the best social and environmental reports by companies, public bodies, NGOs, stock market analysts and opinion-poll research organisations. The award is organised by the Environmental Communications Association, the Financial Daily, Helsinki School of Economics and the Ministry of the Environment. [www.tat.fi/2003/etusivu/index.shtml](http://www.tat.fi/2003/etusivu/index.shtml)

### Developing CSR-supportive policies

#### Trade and export policies (for example, promoting the OECD guidelines)

According to Decree 335/2001, a Committee on International Investment and Multinational Enterprises (Monika), which represents the Finnish **national contact point** (NCP) for the OECD guidelines, is coordinated by the Ministry of Trade and Industry and includes representatives from various departments (the Ministries of Labour, of Social Affairs and Health, of the Environment, of Finance, of Justice and of Foreign Affairs) and of social partners. The Committee oversees issues concerning international investment and multinational enterprises both within the scope of the internationalisation process, and bilateral agreement networks as well as multilateral arrangements.

In April 2003, the Finnish NCP organised a seminar on EU strategy for CSR and the public role in the promotion of CSR. The outcome of discussions served as input for the special **governmental CSR programme** which is being prepared by the NCP and which will be introduced in spring 2004 by the Ministry of Trade and Industry.

In 2001, with the Act on the State's export credit guarantees, the national **Export Credit Agency** has introduced a set of environmental and other principles which calls the attention of applicant companies to the OECD guidelines.

#### Contacts:

Ministry of Labour — working environment policy  
Mr Pekka Peltola, Labour market councillor

Ministry of Labour  
Mr Matti Salmenperä, Director

Ministry of Trade and Industry  
Mr Jorma Immonen, Senior government secretary, Industries Department

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/finland1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/finland1.htm)  
[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_Finland\\_Finland\\_011213\\_fi.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_Finland_Finland_011213_fi.htm)

#### Other sources:

[www.csrcampaign.org/publications/Finland\\_page364.aspx](http://www.csrcampaign.org/publications/Finland_page364.aspx)

## Sweden

Swedish policy to promote CSR has a global focus and is based on an active trade policy for greater openness and freer trade, and a foreign policy that strongly emphasises the importance of human rights and sustainable development.

### Promoting CSR

#### Awareness raising

- In March 2002, the Swedish Prime Minister invited the corporate community to take part in the **Swedish partnership for global responsibility (Global Ansvar)**. This initiative is an effort to encourage Swedish companies to become ambassadors for human rights, anti-corruption, decent social conditions and a sound environment all over the world. The main responsibility rests with the Ministry of Foreign Affairs, but the initiative has been taken in close cooperation primarily with the Ministry of Industry, Employment and Communications and the Ministry of the Environment.

Companies can join the Swedish partnership by writing a statement on their will to support and strive to comply with the **OECD guidelines** and the nine principles of the **Global Compact**. Companies also have to provide examples of their work on these issues, which are posted on the government website.

Amongst its activities, the Global Ansvar Secretariat produces research and disseminates information work on CSR; arranges counselling, networking, and in-house training; and organises thematic seminars gathering business representatives, trade unions, NGOs and public officials. As of December 2003, around 12 companies have joined, including H&M and the Body Shop. [www.ud.se/ga](http://www.ud.se/ga)

- The Swedish government has an explicit policy on promoting business-responsible behaviour within **State-owned companies**, which are currently asked through a questionnaire to report on their work related to the implementation of the principles underpinning the Swedish Partnership for Global Responsibility.
- The Swedish Consumer Agency (SCA) promotes awareness among consumers and voluntary organisations on CSR through training materials and the organisation of round tables with stakeholders, including representatives from producing countries. SCA has recently published a survey about sustainable consumption in a global perspective entitled 'Consumption and ethics'. The report also includes proposals for future government consumer policy in this field.

#### Business incentives (for example, awards)

The Swedish business development agency (NUTEK) is supporting five projects promoting CSR in SMEs through the creation of business development tools, case studies and regional incubators. The projects run from 2002 to 2004.

### Ensuring transparency

#### Reporting

Since 1999, companies of a certain size are required to include in their annual financial accounts **information on their environmental impact** (for instance, on emissions to air and water, and use of manufactured chemicals). This provision applies to more than 20,000 sites.

Since 1997, government agencies have to integrate environmental management systems and report annually on their progress.

#### Socially responsible investment (SRI)

Under the **Public Pension Funds Act** (2000:192), national pension funds are required to draw up an annual business plan, which must describe how environmental and ethical considerations are taken into account in investment activities, without detracting from the fundamental objectives of fund management. The annual report should include an account of the influence such considerations have had on the management of funds. According to the law, the funds shall not own shares in companies that violate the funds' own policies

on environment and ethics. The Finance Department has the responsibility of controlling whether the funds are applying the law.

## Developing CSR-supportive policies

### Public procurement

The Swedish government is currently assessing the possibilities of taking social and environmental concerns into account in public procurement.

### Environmental policies

Since 1997, government agencies have had to integrate environmental management systems and report annually on their progress.

### Trade and export policies (for example, promoting the OECD guidelines)

The Swedish **national contact point** was set up in 1976 and is a tripartite body with representatives from the Swedish government, business and labour. It is led by the Ministry of Foreign Affairs. The government has widely distributed a handbook on the OECD guidelines to members of the business community, Swedish embassies, etc. Any company seeking some form of government subsidy or grant will be given a copy of the handbook, which is also posted on the Ministry of Foreign Affairs website.

Sweden believes that **export credits** are an important instrument in promoting corporate social responsibility. The Swedish Export Credits Guarantee Board provides all its customers with information on the Swedish partnership for global responsibility, existing regulations on bribery, and the OECD guidelines for multinational enterprises.

### Development policies

Through the Swedish development agency SIDA, Sweden supports a range of activities that aim to create the essential conditions for change, sustainable development and global responsibility. In March 2004, the Ministry of Foreign Affairs will, in conjunction with the World Bank, the Prince of Wales International Business Forum and the International Institute for Environment and Development, hosted a two-day international meeting on 'Development cooperation and corporate social responsibility – Exploring the role of development cooperation agencies'.

#### Contacts:

Ministry of Industry, Employment and Communication  
Ms Siw Warstedt, Deputy director

Ministry of Health and Social Affairs  
Mr Christer Eriksson, Senior adviser

Ministry of Foreign Affairs  
Ms Mia Horn af Rantzien, Ambassador  
Ms Sofia Calltorp, Desk officer

Ministry of the Environment  
Ms Helen Ågren, Desk officer

#### Swedish government on human rights issues website:

[www.humanrights.gov.se/extra/page/?module\\_instance=2](http://www.humanrights.gov.se/extra/page/?module_instance=2)

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/sweden1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/sweden1.htm)

[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_Sweden\\_Sweden\\_020117\\_en.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_Sweden_Sweden_020117_en.pdf)

#### Other sources:

[www.multinationalguidelines.org/csr/snapshots.htm#Sweden](http://www.multinationalguidelines.org/csr/snapshots.htm#Sweden)

[www.csrcampaign.org/publications/SwedenandNorway\\_page373.aspx](http://www.csrcampaign.org/publications/SwedenandNorway_page373.aspx)

## United Kingdom

In March 2000, the UK government appointed a **Minister for Corporate social responsibility**. The government role in CSR is to raise awareness; provide guidance; promote consensus on UK and international codes of practice; and promote a framework for social and environmental reporting and labelling. Stephen Timms is the current Minister for CSR.

The UK government strategy on CSR aims to:

- promote activities that bring economic, social and environmental benefits;
- work in partnership with the private sector, community bodies, unions, consumers and other stakeholders;
- encourage innovative approaches and good practice;
- define decent minimum levels of performance — for example, fundamental issues such as health and safety or equal opportunities;
- encourage awareness, trust and a healthy public dialogue.

This ties in with the government's strategy for sustainable development, with its aims of integrating social progress, effective protection of the environment, prudent use of natural resources, and high and stable levels of economic growth and employment, to ensure a better quality of life for everyone, now and for generations to come.

### Promoting CSR

#### Awareness raising, research and business incentives

- In March 2001, the first **government report on CSR** was published. It outlines the government work plan on CSR, including initiatives to develop the business case, engage a wider range of businesses, especially SMEs, encourage good practice, promote CSR internationally, and coordinate CSR policies across the government. The second CSR report was published in May 2002. A third report is currently being drafted and will be published shortly.
- The UK government commissioned three main **research** studies in 2001 on the views of private, public and not-for-profit organisations on the potential added value of CSR; on how to engage SMEs in community and social issues; and on business investment in under-served markets. The small business consortium is currently developing the next stage, which will aim to raise the competitiveness of SMEs through improving their social, economic and community impact.
- The UK government supports **Business in the Community** (BITC), the leading business organisation in CSR.
- The active communities challenge initiative encourages companies to give employees the equivalent of a day paid time to volunteer for work in the community.

#### Public-private partnerships

The national strategy for **neighbourhood renewal**, launched in 2001, seeks to engage businesses in the social and economic regeneration of the most deprived areas of England by involving them in local strategic partnerships, which bring together key public, private and community organisations to develop local neighbourhood renewal strategies.

#### Management tools

The UK Department of Trade and Industry (DTI) gives financial support to the **SIGMA project**, a partnership between the British Standards Institution, Forum for the Future and Accountability which aims to develop a framework for management sustainability which includes management principles, systems and tools.  
[www.projectsigma.com](http://www.projectsigma.com)

### Ensuring transparency

#### Codes

The British and US governments jointly launched the **voluntary principles on security and human rights in the extractive sector** in December 2000. The principles provide practical guidance to companies seeking to ensure that respect for human rights is central to the arrangements they make for protecting the



security of their personnel and operations in areas of conflict. The principles were developed in close consultation with oil and mining companies, and human rights NGOs, social partners and CSR organisations. [www.state.gov/g/drl/rls/2931.htm](http://www.state.gov/g/drl/rls/2931.htm)

The **extractive industries transparency initiative** (EITI) was launched by the Prime Minister at the World Summit on Sustainable Development in Johannesburg in September 2002. Its aim is to increase transparency over payments made by companies and revenues to governments in the extractive industries. [www.dfid.gov.uk/News/News/files/eiti\\_intro\\_a.htm](http://www.dfid.gov.uk/News/News/files/eiti_intro_a.htm)

The Department for International Development (DFID) helped to set up the **ethical trading initiative** in 1998, and has supported and worked closely with it since. The ethical trading initiative is a tri-sector alliance of companies, trade unions and NGOs, working to improve labour conditions in the supply chain of its corporate members. The ETI has developed a model code to which participating companies have to adhere and is testing multi-stakeholder methodologies to monitor and verify code compliance. ETI members visit their suppliers, identify conditions that do not meet the ETI base code, and then plan improvements in agreement with their suppliers. [www.ethicaltrade.org](http://www.ethicaltrade.org)

## Reporting

In July 2002, the UK government issued a **White Paper on modernising UK company law** to seek views on core proposals for the reform of company law (the consultation period ended on 29 November 2002). Amongst others, the White Paper refers to the need for more qualitative and forward-looking reporting: the annual **operating and financial review (OFR)** required to economically significant companies (for example, listed companies with more than 500 employees or private companies with more than 5 000 employees and GBP 500 million of turnover) should include relationships with employees, customers and suppliers, and the company's impact on the wider community and the environment. The paper also foresees more accountability of company directors for issues covered in the OFR. While it is up to them to decide what information is material to their business, directors might ultimately need to defend their reporting statements and process before the courts. [www.dti.gov.uk/companiesbill/whitepaper.htm](http://www.dti.gov.uk/companiesbill/whitepaper.htm)

In October 2001, the UK government issued a set of **guidelines on corporate environmental reporting** (for example, greenhouse gas emissions, waste and water use), following a call by the Prime Minister for all top firms to start issuing environmental reports. [www.defra.gov.uk/environment/envrp/general/index.htm](http://www.defra.gov.uk/environment/envrp/general/index.htm)

## Labels

The UK Employment Department supports **Investors in People**, a national standard developed during 1990 by the National Training Task Force in partnership with leading national business, personnel, professional and employee organisations, and which sets a level of good practice for improving an organisation's performance through **training and development of its people**. [www.iipuk.co.uk/IIP/Internet/default.htm](http://www.iipuk.co.uk/IIP/Internet/default.htm)

The government has set up an interdepartmental group to examine how **labelling schemes** might be made more consistent and coherent.

## Socially responsible investment (SRI)

July 2000 saw the enactment of the UK's **pensions disclosure regulation**. The regulation requires that trustees of occupational pension funds disclose in the statement of investment principles the extent (if at all) to which social, environmental or ethical considerations are taken into account in their investment strategies and their policy (if any) in relation to the exercise of rights (including voting rights) attached to investments. As a result, the pension funds soon started to require more information from the firms they invested in, which forced greater numbers of these firms to publicise information on their social and environmental performance. [www.legislation.hmsso.gov.uk/si/si1999/19991849.htm](http://www.legislation.hmsso.gov.uk/si/si1999/19991849.htm)

Proposals have been launched to follow up the Pension Act amendment in the new Pensions Act of 2003, with a requirement that pension funds disclose annually a record of what they have achieved in pursuit of their SRI policy statements.



## Developing CSR-supportive policies

### Public procurement

The UK government has developed policies to facilitate **green procurement**.

### Fiscal policies

The **community investment tax relief (CITR)** offers tax incentives to encourage private investment through community development finance institutions (CDFIs) in both not-for-profit and profit-seeking enterprises in disadvantaged communities.

A tax relief was designed to encourage greater private investment in enterprises that have historically struggled to secure finance and support. The tax relief reduces the investor's income tax or corporation tax liability, and is based on the amount invested in **accredited** CDFIs. The relief is worth up to 25 % of the money invested, spread over five years. This is a radical new approach, resting on the premise that there are entrepreneurs in poor communities with the ability to find ways to create and maintain wealth locally. These entrepreneurs include those who run small enterprises generating income and employment. They can transform the boarded-up shops and run-down environments prevalent in some communities. The scheme came into force on 17 January 2003 and applies to investments in accredited CDFIs made on or after 17 April 2002.

**Payroll giving** is a tax-effective way for employees to donate to the charity of their choice from their gross pay before tax. The scheme has been available for over a decade but was improved in April 2000, when the annual limit on donations of GBP 1200 was removed. At the same time, the government announced a major publicity campaign to promote the scheme, backed by a special 10 % supplement on all donations for three years, which was extended for a further year, until March 2004, by the Chancellor of the Exchequer. The target for payroll giving for this financial year is GBP 150 million. Half a million people are now taking advantage of the scheme, including 7000 giving at a level above the old limit of GBP 1200 a year. Providing a payroll giving scheme is becoming more widely recognised as an essential ingredient for socially responsible employers to demonstrate support for their staff and the community. [www.inlandrevenue.gov.uk/payrollgiving](http://www.inlandrevenue.gov.uk/payrollgiving)

### Trade and export policies (for example, promoting the OECD guidelines)

The UK government is actively promoting the OECD guidelines for multinational enterprises. The **national contact point** is located in the Department of Trade and Industry and is composed solely of DTI officials.

The recent enactment of the OECD **Convention on Bribery** makes it illegal for UK-registered companies and individuals to bribe someone overseas.

#### Contacts:

Department of Trade and Industry (DTI)  
Mr David Ratcliffe

Department of Education and Skills (DFES)  
Mr Stephen Richards

#### UK government website on CSR:

[www.societyandbusiness.gov.uk/](http://www.societyandbusiness.gov.uk/)

#### Links on Europa:

[europa.eu.int/comm/employment\\_social/soc-dial/csr/country/unitedkingdom1.htm](http://europa.eu.int/comm/employment_social/soc-dial/csr/country/unitedkingdom1.htm)

[europa.eu.int/comm/employment\\_social/soc-dial/csr/pdf2/013-GOVNAT\\_United-Kingdom\\_UK\\_011221\\_en.pdf](http://europa.eu.int/comm/employment_social/soc-dial/csr/pdf2/013-GOVNAT_United-Kingdom_UK_011221_en.pdf)

#### Other sources:

[www.eurosif.info/pub/sri/ctry/uk/hist.shtml](http://www.eurosif.info/pub/sri/ctry/uk/hist.shtml)

[www.eurosif.info/pub/sri/ctry/uk/feat.shtml](http://www.eurosif.info/pub/sri/ctry/uk/feat.shtml)

[www.eurosif.info/pub/sri/ctry/uk/legi.shtml](http://www.eurosif.info/pub/sri/ctry/uk/legi.shtml)

[www.multinationalguidelines.org/csr/Boeckler/united\\_kingdom.htm](http://www.multinationalguidelines.org/csr/Boeckler/united_kingdom.htm)

[www.csrcampaign.org/publications/UK\\_page375.aspx](http://www.csrcampaign.org/publications/UK_page375.aspx)

European Commission

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